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## Commentary

### **Copyright in an age of convergence: Simple standards and collective agreements benefit both users and licensees**

**Licensees' rights to film, books and musical works are systematically violated through illegal file sharing via the Internet. The Culture and Education Committee of the Nordic Council had this in mind when it discussed potential measures during the Nordic Council meetings in Reykjavik in January 2009.**

The Nordic Council has now sounded the battle horn against online piracy activities. Coordination of national legislation and preventive measures are pointed out as areas of priority.

**The opportunities** offered by the Internet are enormous, but so are the challenges created by the almost explosive growth of content and the number of users during the past decade. Digitalization and convergence; the merging of technologies and media, have led to heavy pressure on copyright holders.

Works that can be digitized may be spread in an infinite number via the Internet. These files can contain text, audio or images – all may be subject to so-called file-sharing without the licensees receiving compensation for it. File sharing can imply major economic consequences for licensees.

#### **Strategies and methods**

There are many strategies and methods that take into account both concern for licensees and concern for consumers. Legislation on the international and national level (with associated sanctions) is under constant development. The same applies to collective agreements; the licensees' organizations calculate and distribute income generated by the users in different ways. A third strategy involves information activities, that is, demonstrating how copyright law is useful, and the harmful effects that may occur when copyrights are not respected.

Below are some examples of instruments that have been developed in close cooperation between the affected industries and government. In particular, initiatives in the European and Nordic library sector are highlighted. Developments in this field can lead to impulses that have a bearing in other sectors – organized and easy access for consumers is of the utmost importance.

### **Copyright legislation under development**

The EU Commission sees copyright and neighbouring rights as a very important sector. A number of initiatives have been taken during the past decade, which eventually will be or have been followed up at the national level. For instance, the EU's so-called Ipred Directive becomes part of the [Swedish legislation](#) on 1 April 2009: Licensees may go directly to the courts to gain access to IP addresses in matters relating to illegal file sharing. Previously only the police had this opportunity. This is in accordance with Directive 2004/48/EC of the European Parliament and with the Council of 29 April 2004 on the enforcement of intellectual property rights

Copyright legislation is being tested during a trial in Stockholm this winter, against four men who have been associated with the website The Pirate Bay. In addition to fines and the risk of imprisonment, the defendants may have to pay compensation of more than SEK 100 million to the trade organizations involved. Tele 2 Denmark blocked the site for Danish users, while Telenor in Norway would not take such a step, at least not until there is an enforceable verdict in the case against the Pirate Bay defendants.

**While music and film organizations** claim that The Pirate Bay plays an active role in illegal file sharing, the accused deny the prosecution's arguments, pointing out that they themselves have not distributed material that is protected by copyright law. The site works as a search engine, in line with Google, which also can identify material that is copyright protected, they argue. Whether they will win acceptance for this view should be clear in April, when the verdict falls. The judgment may of course be appealed, by both parties, and circulate in the judicial system for years.

Another question is whether the trial provides basic guidelines that can be used in the battle against online piracy activities. "For the uninitiated, it is difficult to grasp what the charges against the file-sharing site The Pirate Bay are all about. Is it a battle to secure authors' rights, obsolete business models, or a struggle for the free flow of information?" The question was posed by Dagens Nyheter's journalist Fredrik Söderling on the first day of the trial, 17 February 2009. Whether the issue was clearer when the court was adjourned 10 days later is uncertain.

### **Information activities on benefits and damages**

What are the benefits of copyright law, and what damage can the misuse of copyrighted material cause? Information activities are the foundation of the Danish website ophavsret.dk. Here, the background for copyright legislation is explained, and articles with titles like "Piracy costs Danish jobs" are published. A number of Danish culture and media organizations are cooperating on the portal, which is funded by the licensee organizations Copydan, Koda and Gramex.

The Anti-Piracy groups that have formed in several Nordic countries are aimed at both monitoring and information. In Finland, the music, film and computer game industry has joined in the website antipiracy.fi. The Danish Anti-Piracy group (AntiPiratGruppen) is an association of representatives of the film and music trades, "formed to combat illegal copying and distribution of movies and music." The Swedish Anti-Piracy group (Antipiratbyrån) has as "its primary mission to safeguard and promote the member companies' copyrights to their films."

### **Collective agreements**

In the Nordic countries, there are a number of organizations for licensees within the fields of literature, film and music. The organizations negotiate on behalf of their members and enter into agreements that take into account the licensees' and consumers' needs, in the spirit of copyright legislation. Collective agreements have been in use for many years. The trade organizations enter into agreements with, for example, the public service broadcasters and distribute the resulting funds to the licensees, utilizing various systems and methods of calculation. A central role is played by umbrella organizations like Kopiosto of Finland, founded in 1978 as a joint copyright organization for authors, publishers and performers. Danish Copydan, Iceland's Fjölís, Kopinor in Norway and in Sweden Copyswede all play the same unifying and important role. The organizations administrate a host of agreements, involving a variety of industries and public authorities.

### **The Goggle agreement – a breakthrough**

The search engine company Google has also been involved in activities that could be described as piracy. Google has scanned millions of books taken from U.S. libraries, without agreements with authors and publishers, and made the books available via the Internet. In 2005, Google was sued by the licensees' organizations for violations of U.S. copyright law. In October 2008, the case ended with a settlement that ensures "public access to millions of works and that authors and publishers get paid, while they establish a new body for the clearance of rights and revenue. The final confirmation of the agreement will take place in early summer this year," writes the newsletter of the Norwegian Non-Fiction Writers and Translators Association (NFF-Bulletin 1-2009). As part of the settlement, Google will pay U.S. authors and publishers 125 million US dollars.

### **A digital renaissance for the libraries?**

The Google initiative has undoubtedly inspired Nordic and European authorities to look at libraries' role through new lenses. The EU Commission has taken the initiative to [Europeana.eu](http://Europeana.eu), an open online library and archive, offering digital resources of many kinds. The idea of making Europe's cultural heritage available virtually was outlined in the European Commission's [i2010 programme: communication on digital libraries](#). The development partners behind Europeana are the guardians of cultural heritage and knowledge organizations throughout Europe. The European national libraries and national archives and central museums all are contributing material to Europeana.

If the Europeana initiative is to be viable, the European contributors must ensure that they create digital projects on a national basis, including the copyright organizations. In the long run, it will not be consumer friendly only to make material available that is no longer protected by copyright legislation, for example books written by Ibsen and Strindberg.

A number of Nordic projects aim to develop opportunities for digital libraries, where both text, audiovisual elements and photos can be made available to users, in accordance with agreements with the copyright organizations.

**In Denmark**, Minister of Culture, Carina Christensen, has appointed a committee that by 2010, among other things should have considered the need for further development of the digital library infrastructure, the interaction between digital and traditional library services, models for the dissemination of digital heritage and licensed media, models for learning and examples of new partnerships.

**The Ministry of Education in Finland** is responsible for a project called The National Digital Library (Det nationella digitala biblioteket ), lasting until 2011. At the end of the project, there will be open access to the electronic materials and services of libraries, archives and museums. Thirty-five organizations are involved in the project.

The Ministry announces that by using the digital web service to be established, the user can easily access the material from optional categories, such as photos, documents, newspapers, reports, video and audio recordings. At first, the service will give access to hundreds of objects and millions of database references. More than 100,000 museum objects and photographs, over 1.3 million pages of old newspapers, over 20,000 scientific journals, over 300,000 e-books and hundreds of thousands of documents are on the way. Among them are, e.g., medieval parchment documents, artists' sketch books and sound recordings of Finnish dialects and related languages. Users will have the opportunity to, e.g., reserve books, or buy pictures via the web service. The material will also become part of the European Digital Library, Europeana.

**The National Library of Norway**, in cooperation with authors, publishers and other licensees, plans to make available digitally on the Internet all the books published in Norway during three decades, more specifically from 1790-99, 1890-99 and 1990-99. Altogether, this will amount to about 50,000 books, the Norwegian Ministry of Culture and Church Affairs writes in a press release. On 17 March 2009, a working group under the auspices of special advisor Helge M. Sønneland of the Ministry of Culture and Church Affairs made a recommendation for the computational principles to be used for compensation to licensees for material made available online from the National Library's collections – for reading on screen, not downloading or print. The trial project will last until the end of 2011, if the project gets the go-ahead in the spring of 2009.

**For several years, the National Library of Sweden** has been preparing a digitization project. National Librarian Gunnar Sahlin, during a meeting in Stockholm in March 2009, said that the Library is currently discussing agreements with copyright holders in Sweden. They are maintaining a positive spirit, and the ambition is to work out collective licenses to make digitized material available to the public. The former Swedish National Archive of Recorded Sound and Moving Images ceased to exist on 1 January 2009 and now constitutes the Department of Audiovisual Media under the National Library – an element of the strategic integration of digital initiatives.

### **Simple and universal standards must be developed – and applied**

The commercial drives to create viable sales platforms for digital content have had varying success. iTunes is considered the most successful of the commercially-based platforms, and is perhaps even more successful now; the music files that users can buy and download can be played with MP3 players other than Apple's own iPod player. The files will no longer be subject to Apple's DRM system (Digital Management Rights), [Apple announced](#) in January 2009

To survive in the long run, commercial suppliers of digital material must adopt – and if necessary develop in a broad collaboration – general standards, and ensure easy availability and simple and secure procedures for purchase and sale. iTunes and Apple's use of its own, exclusive DRM system is the exception that confirms the rule that a universal standard is needed. The reason for iTunes' success is probably Apple's unparalleled ability to create enthusiasm for its products. The phenomenon called "podcasting" is derived from "iPod", and that says a great deal about the position of Apple.

**More collective agreements** for a number of industries and trades will be crucial to the success of licensees in reaping the benefits of the effective distribution platform offered by the Internet. Precisely the lack of suitable and accessible systems and the lack of supply have been the excuses used by many illegal file sharers. Another excuse has been that illegal file sharing only does damage to capital-strong corporations, an attitude that must be combated with information.

There are of course some legitimate objections to the development of copyright legislation. When the Swedish parliament debated the so-called Ipred Act in February 2009, the Left Party and the Greens argued among other things that the Act may violate personal integrity – for example, when an IP address that apparently has been used for illegal file sharing belongs to entirely innocent people. The legislators are aware of the problem – it remains to be seen what effects the Act will have in practice.

The drive from the Nordic Council to harmonize the copyright legislation sector of Nordic countries may be inspiring. However, also the experiences gained through The Pirate Bay trial, the Google agreement and initiatives in the library sector will be useful for the future development of copyright legislation and collective agreements in the Nordic region.

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## **Media Notebook**

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### **Nordic cooperation**

#### **Pan-Nordic television in a digital age**

[Nordic cooperation]

In September 2008, the Nordic Culture Forum organized a seminar on the potential for watching neighbouring Nordic countries' television channels called TV in the Digital Age. The Nordic dream of pan-Nordic television, where everyone can watch each other's TV channels, has been on the cultural policy agenda since the 1950s.

"This is a dream that could not come true, due to a number of obstacles - first technical, then copyright issues and now commercial ones. As the impediments disappear, new ones are created – while the participants that set the tone vary. In the fight between the driving powers, technological advances, the development of markets and politics, however, experience tells us that political determination will be crucial," Ulla Carlsson, Director of Nordicom and editor of the report from the seminar, sums up in her foreword.

The report is published in Scandinavian languages only, and contains contributions from the participants in the seminar, which was organized by the Nordic Council of Ministers in co-operation with the Nordvision Secretariat, the Union of Broadcasting Organizations, Copy-Dan and Nordicom.

Ulla Carlsson (ed.): Nabolands-TV i en digital tidsalder. Rapport från Nordiskt Kulturforum 29 september 2008. Nordicom Information 3 2009.

Source: Nordicom

## **Plans for digitization of the Scandinavian radio networks must be announced soon** [Nordic cooperation]

A time schedule for the transition of radio distribution from analogue to digital networks is urgently needed. Otherwise marginalization of radio as a medium is a possible outcome, the heads of the Scandinavian public service companies stress in a joint statement after a meeting in Reykjavik, the Danish public service broadcaster DR announces.

Kenneth Plummer (DR, Denmark), Mats Svegfors (Sveriges Radio, Sweden), Christina Björk, (Utbildningsradion, Sweden) and Hans-Tore Bjerkaas (NRK, Norway) made it clear: In their view, the transition to digital distribution should be made in close cooperation between the national public service companies, the commercial players in the radio market and the authorities. A clear message must be sent to consumers and content providers, in the same manner as when analogue terrestrial TV networks are replaced with digital terrestrial networks.

It would be very useful if authorities in all Scandinavian countries cooperated in order to make arrangements for the radio sector's digital transition – for the benefit of both listeners and the radio industry. In this way, the Scandinavian countries may show the way for the rest of Europe and promote a viable radio sector, which can reflect the diversity in journalism, art, language and culture found in the Nordic countries, the heads of the Scandinavian public service companies declare.

Source: DR Kommunikation (4 March 2009)

## **The Nordic countries will fight against online piracy** [Nordic cooperation]

The systematic violation – through illegal file sharing via the Internet – of licensees to film, books and music must be stopped. The Nordic Council Culture and Education Committee discussed measures to achieve this goal during the Nordic Council meetings in Reykjavik in January 2009.

The Nordic Council will stop the growing online piracy activities through closer cooperation between the Nordic countries on coordination of national legislation and preventive work. Mats Johansson, a member of the Culture and Education Committee, says that the work will stress the necessity of having respect for copyright holders and their work, for example through information campaigns among children and adolescents.

The difference in the Nordic countries' legislation with regard to the possibilities of criminal prosecution of file sharers is another challenge. The judicial review of the artists' copyright is a slow process. The Nordic Council therefore will consider whether the legislation could be improved both regarding the existing copyright Acts and the legislation covering personal information, in order to make the process of prosecution and compensation fast and efficient, the Committee states.

Mats Johansson underlines that copyright entails both a cultural issue, works must be protected, but also industry policy matters; publishers, record and film companies, software companies and other enterprises in the media and entertainment industry need legal protection against illegal appropriation of their products.

Cooperation with telecom providers is a central issue in the international discussion on fighting online piracy. Internet providers today have a wide range of information on IP addresses, illegal file sharing and the names of offenders who do not respect the artists and producers. The Nordic Council will include the aspect of collaboration with providers in future political cooperation, the Committee announces.

Source: The Nordic Council (29 January 2009)

### **Computer games – a part of the Nordic cultural landscape**

[Nordic cooperation]

More funding for the development of Nordic computer games. The call came from the Nordic Council Culture and Education Committee during the Nordic Council meetings in Reykjavik in January 2009.

The chairman of the Committee, Mogens Jensen, calls for greater recognition of the fact that the modern cultural and industrial landscape is changing fast, and that children and young people in interaction with the industry and commerce are key players in the change:

Investing in the field of computer games has long proved its merits. For example, the game industry has now overtaken the movie industry in terms of turnover. Everything indicates that the computer is the future media of education for children and adolescents, and adults will also become an important target group. The game industry is here to stay, and that fact must be acknowledged by the Nordic Council of Ministers and more funding must be provided for development of this field, Mogens Jensen states, according to the news service of the Nordic Council.

The Social Democratic chairman of the Committee suggests that the Nordic Game Program is one of the most successful efforts of the new Nordic cultural cooperation: "In 2008 alone, the total number of applications rose to 138 – a new record, which shows that the Nordic computer games industry is constantly growing, but also that there is a great need for funding for the many new projects," Jensen states.

Source: The Nordic Council (29 January 2009)

### **The Nordic web-based film school gives young people new impulses**

[Nordic cooperation]

After two years of operation, dvoted, the Nordic web-based film school, has achieved a good reputation in the target group: Nordic young people between the age of 15 and 20 years, eventually extended to ages of up to 23 years. With more than 700 active members on a pan-Nordic basis, dvoted is recognized as one of the most successful of the Nordic cultural projects.

This is particularly true in Denmark, where there is great interest, reports FILM update/the Danish Film Institute. In total, dvoted has 1,600 Danish members. Of those, around 200 must be counted as active; they upload their own movies, discuss with other dvoted users and ask the professional mentors hired by dvoted for advice. Several of the Danish members have been successful in film competitions both on a national and international level. Some also receive support from professional film companies for the development of their film projects.

The national public film support schemes of the Nordic countries are funding [dvoted](#). The project is supported by Cultural Contact North with Euro 150,000 – to cover the period 2009-2011. The support will go, among other things, to further developing the site and construction of a new web platform. In addition, the Nordic Culture Fund in May 2008 promised dvoted funding amounting to DKK 300,000.

Source: FILM update/the Danish Film Institute (20 January 2009)

## **Printed media**

### **Continued decline in Danish newspapers' circulation in 2008**

[Printed media] [Denmark]

The figures of the Danish Audit Bureaux of Circulations (Dansk Oplagskontrol) for the second half of 2007 and the comparable period in 2008 shows a decline in the circulation of newspapers with nationwide coverage, from 700,616 to 663,048, or 5.4%.

Of the major morning newspapers, Politiken showed a decline from 110,230 to 107,788 copies, or 2.2%. Berlingske Tidendes circulation has been cut by 12,575 copies, from 116,260 in 2007, or 10.8%. Jyllands-Posten showed a decline of 9,536 copies, from 134,632, which is equivalent to 7.1%.

Børsen improved its circulation (by 667 copies, or 0.9%). Other newspapers in this category were: Information (up by 335 copies, or 1.6%), Erhvervsbladet.dk (up by 80 copies, or 0.3%).

Information is among the newspapers that have made progress, but its financial situation is so bad that four journalists have had to leave the newspaper. The reason for this is the decrease in distribution support for newspapers already included in the support system, following the allocation of distribution support amounting to DKK 34 million to the free newspapers MetroXpress and 24timer, the newsletter Dansk Presse 9-2009 reports.

Source: Dansk Oplagskontrol/the newsletter Dansk Presse 9-2009 (23 February 2009)

### **Should public support continue to be reserved for the printed media?**

[Printed media] [Denmark]

Danish media support is being reviewed in an extensive project. In 2008, a mid-project report was published; this fall a full report with final conclusions will be submitted to the authorities. The financial crisis might speed up the transition from paper-based to online news media, and questions may be raised as to whether the online media should benefit from public support in line with that given to the printed media.

Prime Minister Anders Fogh Rasmussen, who is minister for press matters in the Danish government, believes that public support should be reserved for the paper-based media. In an interview with the Danish journalists association's newspaper Journalisten, he says: "We know from experience that the printed media are the main providers of news for the electronic media, and they therefore would be sorely missed, if the electronic media squeezed them out of the market. So, I think I can justify that we currently give some direct and indirect subsidies to the print media."

Fogh Rasmussen denies that the online media are being treated unfairly: “No, I really believe that they are doing extremely well online, where they enjoy a free distribution. At least to some extent one can say that the purely web-based services do not have huge distribution costs as opposed to print media. To ensure fair competition, one should not necessarily provide equal support to the whole press structure.”

Source: Journalisten.dk (21 January 2009)

### **Reader figures increase**

[Printed media] [Finland]

The Finns are still reading on average three printed newspapers daily. According to the latest nationwide figures (from Nationella Medieundersökningen), the Finnish Newspapers Association reports that the number of Finns reading printed newspapers increased compared to 2007.

The major daily newspapers based on the number of readers in 2008 are Helsingin Sanomat (958,000 readers), Ilta-Sanomat (734,000), Iltalehti (659,000), Maaseudun Tulevaisuus (338,000), Aamulehti (316,000), Turun Sanomat (254,000), Kauppalehti (216,000), Kalev (195,000), IS Veikkaaja (187,000) and Keskisuomalainen (171,000).

Readership of printed newspapers has increased by around 0.5%. Of the newspapers on the top-ten list, especially Kauppalehti's readership has increased. This is a good example of the fact that even though a newspaper has a large web audience, the printed newspaper can also increase its circulation. The daily newspapers' supplements have also been well received by readers, the Finnish Newspapers Association states.

Source: The Finnish Newspapers Association (3 March 2009)

### **Investor Company has acquired Morgúnblaðið publisher company Árvakur**

[Printed media] [Iceland]

The Icelandic competition authority rejected the merger of Morgúnblaðið and Fréttablaðið (see notice under Media Ownership). Now, "an agreement has been reached on the acquisition of Árvakur publishing house by a group of seven investors," [according](#) to Daily News from Iceland.

Morgúnblaðið was first published on 2 November 1913 and since 1919 has been published by Árvakur. The company has not posted any profits in recent years, which was one of the reasons that a merger with Iceland's other major daily, the free newspaper Fréttablaðið, was on the agenda.

Source: Daily News from Iceland (26 February 2009)

### **Overall decline in circulation of daily newspapers – niche and local newspapers perform well**

[Printed media] [Norway]

The total circulation figures for the member newspapers of the Norwegian Media Businesses' Association (MBL) show a decline of 2.8% from 2007 – while the local newspapers attached to the Norwegian Local Newspapers' Association (LLA) show a slight decline of 0.3% from 2007 to 2008 – after 16 years of continuous progress.

Around 60% of the MBL newspapers show a decline in circulation, almost 40% show progress. Half of the MBL newspapers show an increase or decrease in the circulation of +/- 2%.

Single-copy sale newspapers contribute most strongly to the decline in total circulation and have fallen back by 8.4% (around 37,000 copies), according to MBL. VG and Dagbladet together account for around 50% of the total circulation decline in this category. Subscription newspapers decrease by 1.5% (well 30,000 items.). Fifteen newspapers have seen a total decline of more than 5%.

MBL has 161 member newspapers. LLA organizes over 100 of the local newspapers in Norway. Norway is still a world leader in newspaper reading and newspaper purchase – outranked only by Japan.

Sources: The Norwegian Media Businesses' Association / the Norwegian Local Newspapers' Association (16 February 2009)

### **Debate on the survival of paper-based newspapers**

[Printed media] [Norway]

Schibsted Group's CEO, Kjell Aamot, received much attention in February when he gave a speech at the BI Norwegian School of Management in Oslo. He was interpreted as having predicted the paper newspapers' extinction: "I still have great faith in paper-based newspapers, but I ask myself whether payment newspapers will survive in 20-30 years," said Aamot, among others things.

Aftenposten, a cornerstone of the Schibsted Group, criticized Aamot in its editorial column, and Aamot found it necessary to go into more details in the same newspaper: "It is not the printed newspaper as a medium I am sceptical of, but the traditional printed newspaper business model. The media must readjust themselves."

One of the Norwegian press veterans, former editor of the business newspaper Dagens Næringsliv and former TV 2 CEO, Kåre Valebrokk, commented on the matter in his regular Sunday column in Aftenposten. He pointed out that web users are accustomed to being able to retrieve news for free: "Here lies a problem not everyone has realized. In the transition from user-paid to advertiser-paid content, power over contents gradually shifts from users to advertisers. And advertisers do not usually have philanthropy in mind. They want hard currency for their money. I do not for a moment doubt that it will be harder to maintain journalistic quality and editorial independence in a world where advertisers pay the editors' and journalists' salaries, than it is in a world where ordinary people pay half the bill."

Source: Aftenposten (8 and 10 February 2009)

### **Swedish newspaper circulation still on its way down**

[Printed media] [Sweden]

Almost all Swedish newspapers experienced a reduction in their circulation in 2008 compared to the previous year. Among the 25 largest local newspapers, Barometern stands out as a bright spot, maintaining the status quo.

Sydsvenskan increased by 400 copies. Editor-in-Chief Daniel Sandström says to the trade newspaper TS-tidningen 1-2009 that he does not think the development in the American newspaper industry (closures, transition to the web) will take place in Sweden, but the management of all newspaper companies need to recognize that change is happening quickly: "We need to see a development towards large niche media rather than clinging to being mass media."

The total circulation of Swedish newspapers declined by 106,700 copies, or by 2.8% in 2008. The evening newspapers continued the trend of recent years and ended with a total circulation decline of 5%. Here are some of the figures, taken from TS-tidningen 1-2009: Aftonbladet down by 21,900 copies, Expressen (including GT and Kvällsposten) by 16,600, Dagens Nyheter by 4,400, Göteborgs-Posten by 3,000, Skånska Dagbladet by 3,000 (-8%), Svenska Dagbladet by 1,800.

Source: Medievärlden/ TS-tidningen 1-2009 (20 February 2009)

### **Turbulent times for booksellers and publishers**

[Printed media] [Sweden]

2008 was a difficult year for the book trade in Sweden, seen as a whole. Now the trade is preparing to meet the recession, writes Dagens Nyheter. It may seem as if small publishers and booksellers have managed themselves well, while the big book sellers' chains and the major publishers are struggling more.

The major publishers' signals of shortening their lists of new publications are causing concern in the Swedish Writers' Association, Dagens Nyheter reports. "We fear that the narrow publications will disappear, that the publishers will not gamble and that the best sellers will prevail. This is a serious matter for Swedish literature as a whole," maintains Eva Susso, Vice Chairman of the Swedish Writers' Association.

This concern is not shared by CEO of the publishing company Bonnierförlagen, Jacob Dalborg: "Our publication lists will still be characterized by a broadness of genres, but the depth of each genre will be a bit smaller. I believe that the book trade as a whole will benefit from this. It is very difficult to reach out with information about all the books and there is nothing sadder than publishing a good book that does not get any attention. However, we should not publish books by fewer debutants. Bonnier has been in existence for 170 years and we want to live just as long in the future. That will not happen without debutants."

Source: Dagens Nyheter (19 January 2009)

## **Audiovisual media**

### **TDC's cable-TV network to be opened up for competitors Telenor and Telia**

[Audiovisual media] [Denmark]

TDC's competitors, Telenor and Telia, must be allowed to use TDC's cable-TV network YouSee – Denmark's largest – the EU Commission states in a [letter](#) to the Danish National IT and Telecom Agency. The Agency has found it disturbing that TDC (Tele-Denmark Communications) has a dominant position in both the telecommunications and cable-TV market, the web newspaper Business.dk reports. YouSee has 44% of Danish households with cable-TV access. Telia Stofa is the second largest.

"We have nothing against competition, but this just goes too far. It is incomprehensible. We stand for any competition. TDC is competing every day and we have tough competition in Denmark. We've just got an expectation of basic fairness, which means that those who have fought their way to a position should not be allowed to be undermined at will," TDC's CEO, Henrik Poulsen, says to Business.dk.

The National IT and Telecom Agency has held a hearing on the matter, which was completed 9 March. The responses from the consultations round and the statement from the EU Commission will be studied closely – and then the National IT and Telecom Agency will come to a conclusion.

Recently, the EU Commission gave the go-ahead for Dutch deregulation of the cable-TV network. This means that cable-TV network operators must open networks to competitors. In the Netherlands, the distribution of TV signals largely takes place via cable networks.

Source: Business.dk/ the Danish National IT and Telecom Agency (12 March 2009)

### **33% market share for Danish films in 2008**

[Audiovisual media] [Denmark]

Admissions were up 7% for Danish films compared to 2007, according to a special report from Nordisk Film & TV Fond, "with admissions passing the 4.3 million mark, a level not seen since 1976, according to the Danish Film Institute. Much of the surge in admissions came from a single title, the megahit *Flame & Citron* (668,000 admissions), seen by one in seven Danes over the age of 15."

Thanks to the strong figures for Danish films, the total cinema visits rose to 13.2 million, up 10% from 2007. The top 20 films accounted for 9% of all films screened in Danish cinemas in 2008, but generated 56% of the revenue.

Source: Supplied by [www.nordiskfilmogtvfond.com](http://www.nordiskfilmogtvfond.com) (16 January 2009)

### **TV 2 to become a pay-TV channel from 2012**

[Audiovisual media] [Denmark]

A financial restructuring plan for TV 2/DANMARK and new DR initiatives have been submitted by the government, with broad support in the Parliament. The financial plan and additional initiatives are supplements to the Media Agreement covering the period 2007-2010.

The economic problems of public broadcaster TV 2 resulted in a state loan in 2008. The European Commission approved of the loan provided that the Danish government presented a restructuring plan for TV 2, which can give the company a new economic foundation.

On 1 January 2012, TV 2/DANMARK will be able to operate a pay-TV model for the main channel TV 2, which means that households who already subscribe to pay-TV packages will pay for TV 2, while households that only receive free-to-air channels such as DR1 and DR 2 will have access to TV 2 without payment, announces the Ministry of Culture. The cost will be DKK 20-25 per month for those who have to pay for the TV 2 main channel.

Public broadcaster DR will receive DKK 65 million, within the framework of the TV license arrangement, among other things in order to establish an HDTV channel at the end of 2009. In addition, different models for an annual price and wage regulation of the extent of the TV license will be considered.

Source: The Ministry of Culture (9 January 2009)

### **New funding for Finnish film production**

[Audiovisual media] [Finland]

The Finnish Film Foundation has been supplied with additional funding, consisting of €5 million from the government as part of a €400m stimulus package, and also a 30% increase in the Film Foundation's annual budget for support to Finnish film production (now €18 million), [the newsletter](#) of Nordisk Film & TV Fond reports.

According to the newsletter, Irina Krohn, head of the Film Foundation, sees this as an opportunity to stimulate the Finnish film industry, which is already in an expansive phase. She would, however, also like to see Finnish films get better distribution opportunities in other Nordic countries.

2008 was a good year for the Finnish film trade: "General admissions were up by 7% from 2007, to 7 million, a level not seen since 2003," according to a [special report](#) from Nordisk Film & TV Fond. The report also states that the local market-share was up by 3%; 2008 ending with a 23% market share, reversing the 2007 downward trend, returning almost to the 2006 level (of 24% market share).

Source: Supplied by [www.nordiskfilmogtvfond.com](http://www.nordiskfilmogtvfond.com) (6 March and 16 January 2009)

### **Icelandic films take new market shares**

[Audiovisual media] [Iceland]

Icelandic films increased their market share by 1.5% in 2008, up to 10.5%, with three Icelandic films among the top-20 films. One of the Icelandic films – Brúðguminn, under the direction of Baltasar Kormákur – came in third on the list of the most popular movies, according to a special report from Nordisk Film & TV Fond.

Five cinema visits a year per Icelander has been the rule for many years – and the trend is increasing: In 2008, 1.5 million tickets were sold, compared to 1.4 million the year before. This resulted in an increase in ticket revenues by nearly 15% compared to 2007.

Source: Supplied by [www.nordiskfilmogtvfond.com](http://www.nordiskfilmogtvfond.com) (30 January 2009)

### **The special position of TV2 in the terrestrial network is violating licence clauses**

[Audiovisual media] [Norway]

The Norwegian Post and Telecommunications Authority (NPT) finds that broadcaster TV2 will significantly improve its own position in the digital terrestrial network at the expense of its competitors. This is in violation of the non-discrimination requirements of the licence for the operator of the digital terrestrial network, NTV. This company is owned by broadcasters NRK and TV2 and telecom operator Telenor. NTV owns RiksTV, the only distribution

company in the Norwegian digital terrestrial network for television. RiksTV provides NRK and TV2 as free-to-air channels, but also sells a package of TV channels. NPT has now sent the case to the Ministry for a final decision, after having processed the complaints from NTV, RiksTV and TV2 on NPT's decision of 3 December 2008.

NPT explains the matter in this way: In agreement with TV2, RiksTV has been given the right to offer its own package of channels from 2010, consisting only of TV2's own channels. In addition, RiksTV and TV2 have an agreement lasting until 2021, regulating the price level of the TV2 package seen in relation to the price of RiksTV's own package. The agreement also defines RiksTV's assistance in the marketing of the TV2 package and dealer commission when selling the TV2 package in the same period. Other broadcasters who own multiple channels are only given an option to launch their own channel packages if RiksTV introduces the TV2 package. These broadcasters have not been given the opportunity to negotiate terms for their packages, and NPT believes that this is in violation of the non-discrimination requirement in the license.

NPT points out in a press release that it has nothing against the introduction of smaller and less expensive channel packages in addition to the basic package(s) in the terrestrial network. A wider selection and smaller packages have been in demand by pay-TV customers on all distribution platforms for a long time, and such packages may meet a need in the market.

From 2010 – when the Norwegian analogue terrestrial network for TV is closed down – it is likely that the main channel of TV2, now free-to-air, will only be available as pay-TV in the digital terrestrial network. TV2's licence for nationwide commercial TV in the analogue terrestrial network ends in 2009.

Source: The Norwegian Post and Telecommunications Authority (23 March 2009)

### **Good times for Norwegian films on the home market**

[Audiovisual media] [Norway]

2008 was the best cinema year for Norwegian films on the domestic market since 2003: 22.5% market share, and ten Norwegian films each with more than 100,000 sold tickets. The market share of Norwegian films increased by almost 50% from 2007, according to a special report from Nordisk Film & TV Fond.

Overall, 11.8 million cinema tickets were sold in 2008, an increase of 10% from the preceding year. Four Norwegian films were among the top 20 movies. One of the government's film policy objectives is a market share of 25% for Norwegian films in 2010.

Source: Supplied by [www.nordiskfilmogtvfond.com](http://www.nordiskfilmogtvfond.com) (16 January 2009)

### **Go-ahead signal for lower VAT rate on audiobooks**

[Audiovisual media] [Sweden]

The EU Finance Ministers have decided that Sweden's low VAT rate (6%) on audiobooks is compatible with the Directive on VAT that applies within the EU. The question has been under debate in the EU system since 2006.

“It has been a matter of great cultural political importance to maintain the low VAT rate on audiobooks. Both the Minister of Finance, Anders Borg, and myself have been deeply involved in bringing about a reinterpretation of the concept of books in the EU Directive on VAT to include audiobooks in physical format. I am extremely pleased that we managed to create an understanding across Europe of the importance of equal treatment of audiobooks in physical format and printed books," the Minister of Culture, Lena Adelsohn Liljeroth, states.

Source: The Ministry of Culture (11 March 2009)

### **A slight decline for Swedish films in the home market**

[Audiovisual media] [Sweden]

The total number of cinema visits in Sweden ended at 15.1 million in 2008, an increase of 1.5% compared to 2007. The market share of American films increased from 65.4% in 2007 to 68.5% in 2008, according to a special report from Nordisk Film & TV Fond.

The Swedish films' share of the market was 20%, or 3 million tickets, compared to 21.6% and 3.2 million tickets in 2007. There were two Swedish films in the top 10 list. Cinema year 2008 ended better for Swedish films; in December the market share was 31.4% and this bodes well for 2009.

Source: Supplied by [www.nordiskfilmogtvfond.com](http://www.nordiskfilmogtvfond.com) (30 January 2009)

## **Freedom of speech and copyright**

### **No pre-investigation of television programmes that are transmitted via the Internet**

[Freedom of speech and copyright] [Finland]

The Government proposes to abolish pre-investigation of audiovisual programmes that are accessible to the public via the Internet as so-called on-demand services or otherwise are available for streaming or downloading. This is applicable to programmes that have been screened or will be screened on television before 9 P.M. – i.e. any programmes that are suitable for children.

The Bill is part of an overall reform of the legislation that constitutes the Act on the Classification of Audiovisual Programmes. The new Act will take effect from the beginning of July 2009.

The reformed Act implies a transition from pre-investigation to a form of self-regulation, where the suppliers of audiovisual programmes set the recommended age.

The recommended minimum age should be communicated to the Finnish Board of Film Classification, which, if there is reason to suspect that the audiovisual programme contains material that adversely affects children's development, may order that it should be reviewed, the Ministry of Education announces.

Source: The Ministry of Education (22 February 2009)

## **The ban on political television advertising still applies**

[Freedom of speech and copyright] [Norway]

The mandate of public service broadcaster NRK will be changed to ensure that editorial coverage of the small political parties is maintained at a satisfactory level.

The Minister of Culture and Church Affairs, Trond Giske, is of the opinion that this change in the NRK mandate will satisfy the judgment of The European Court of Human Rights (ECHR) of 11 December 2008: The local television company TV Vest during the local elections in 2003, broadcast an advertisement by the regional section of a small political party (Pensjonistpartiet, the Pensioners Party). This was a violation of Article 10 of the European Convention of Human Rights, according to the ECHR judgment.

Before being brought before the ECHR, the case had gone all the way from the Norwegian legislative system to the Supreme Court, which found that the ban is not contrary to the European Convention for the Protection of Human Rights and Fundamental Freedoms.

This is ECHR's account of the case, in its annual report of 2008: "TV Vest AS and Rogaland Pensjonistparti v. Norway concerned the imposition of a fine on a local television station for having broadcast an advertisement by the regional section of a small political party shortly before local and regional elections, in breach of the legislation prohibiting any televised advertising for 'political opinions'.

This judgment was particularly innovative and important, because the Court ruled for the first time on the prohibition of political advertising for a political party. It ruled against such a prohibition, which was both permanent (not applicable only during election periods) and absolute (valid only for television, since political advertising in other media was permitted).

The Court noted that the absence of a European consensus in this area argued in favour of granting States a wider margin of appreciation than is normally granted with regard to restrictions on political debate. However, it considered paid-for television broadcasts the sole means by which the applicant party could make itself known to the public, in contrast to large parties which received wide television coverage, and did not find that the disputed advertisement was such as to lower the quality of political debate or to offend various sensibilities. The judgment is not final."

The Norwegian Government has not appealed the judgment, but maintains the general ban on political advertising on television. The basic premise of the ruling was that, for some political parties, advertising may be the only way to get TV coverage. The Court has emphasized that there are many legitimate reasons to regulate the framework for political advertising. The judgment does not necessitate that Norway revoke the current ban on political advertising on television, the Ministry of Cultural and Church Affairs announces.

The view of the Minister of Culture and Church Affairs was received with mixed emotions and evoked considerable debate. A number of political parties and TV channels have expressed that they consider that the ban on television advertising for political parties has now been abolished by the judgment of the ECHR, as that ruling has not been appealed.

Is NRK being put under undue pressure? This question brought about a clarification from the Minister of Culture and Church Affairs, who constitutes NRK's General Meeting, but is not

supposed to get involved in specific editorial assessments: "In line with the follow-up of the other content requirements set by the mandate of NRK, NRK's chief executive, who is both the Editor-in-Chief and the Director General of NRK, has the entire responsibility for NRK's content in accordance with the principles of the Declaration on Rights and Duties of the Editor, agreed upon by The Association of Norwegian Editors and The Norwegian Media Business Association.

A number of local TV channels in March broadcast an advertisement for the Conservative Party (Høyre), which maintains that the ban on political advertising has been abolished, in accordance with the ECHR judgment. The Norwegian Media Authority has announced that it will investigate the cases.

Source: The Ministry of Culture and Church Affairs (11 and 12 March 2009) /The European Court of Human Rights

### **TV4 invites parties to transmit television advertisements before the general election** [Freedom of speech and copyright] [Sweden]

The broadcaster TV4 has offered to transmit advertisements for all the Swedish political parties, arguing that by the very fact that TV4 has started digital transmissions, the ban on advertisements for political and other opinions has been abolished.

Miljöpartiet (the Green Party) noted that the ban on advertisements for political and other strong opinions still applies, both in Sweden, Britain and other countries. In a press release, the party states: "Now that TV4 broadcast over the digital network and their coverage no longer includes the requirement of impartiality, the Swedish legislation is eliminated. TV4 has contacted all the parliamentary parties in order to sell advertising and make money on the election campaign. (...) The Green Party invites the parties represented in the Parliament to make a voluntary agreement to continue to refrain from political TV advertising."

The Secretary General of the Green Party, Agneta Börjesson, has also invited the Secretary Generals of the other political parties to talks about the question. "I think that all parties in Sweden have a common desire to create good political conversations during the election campaign. Ultimately it is the message of those conversations that leads voters to the ballot box. Television advertising could undermine both the political credibility of the system and create contempt for politicians," Agneta Börjesson declares.

Sources: TV4/Miljöpartiet (20 and 23 March 2009)

### **The Ipred Act is adopted by the Parliament** [Freedom of speech and copyright] [Sweden]

The Parliament has adopted the so-called Ipred Act, which means that creators of computer games, movies or music can apply directly to a court to get the IP address of those who have infringed copyright by illegally downloading copyright-protected movies, text and music via the Internet. The Act enters into force on 1 April 2009. Before that date, only the police are allowed to trace the owners of IP addresses. The Government and the Social Democrats support the Act, the Left Part and the Green Party are against it. The Act is in accordance with the Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights.

"The proposal does not - as claimed by some people during the debate in the media - give rightholders the authority to act as policemen. It is only a question of creating a real possibility for rightholders to use the civil remedies that already exist in the legislation.

Nor does this mean that the person who holds the subscription behind the IP address in question will automatically be responsible for illegal activities, e.g. illegal file sharing, carried out by someone via his connection to the Internet. But it will give rightholders a possibility to contact the subscriber and a possibility for the subscriber to prevent further infringements via his connection. If the rightholder wants to go further and obtain a court order obliging a person to pay damages, he has to initiate a proceeding against that person and in this proceeding prove that the defendant has caused the rightholder the damages claimed," the Ministry of Justice declares in a [press release](#).

One of the main critics of the Act is Pär Ström, privacy ombudsman for the foundation The New Welfare. His main objection is that police power will now be given to private operators. "We get a kind of private investigation, a private police. Where one surfs on the Internet is very sensitive information," he says, according to Dagens Nyheter.

Sources: The Ministry of Justice/Dagens Nyheter (23 February 2009)

## **Information Society**

### **Denmark's national encyclopaedia freely available on the Internet**

[Information Society] [Denmark]

The publishing company Gyldendal has released its encyclopaedia ([Den Store Danske Encyklopædi](#)) for free access via the Internet. Revenues will come from advertising. The encyclopaedia's database contains more than 160,000 articles at the outset.

Users will be the primary driving force in terms of new articles and updates. Twenty editors will work to assure the quality of the articles.

Source: Gyldendal (9 March 2009)

### **The Government will strengthen the libraries' role in the knowledge society**

[Information Society] [Denmark]

The Minister of Culture, Carina Christensen, has appointed a committee that, among other things, is to consider the need for further development of the digital infrastructure of libraries, the interaction between digital and traditional library services, models for the dissemination of the digital heritage and media requiring collective agreements for distribution rights, models for learning and examples of new partnerships.

The committee's work should be completed by the beginning of 2010.

Source: The Ministry of Culture (23 January 2009)

## **Data security is given priority by the Finnish authorities**

[Information Society] [Finland]

The Minister of Transport and Communications, Suvi Lindén, will create a national data security authority, an NCSA (National Communications Security Authority), with tasks such as security classification of computer-based systems.

"Many companies have experienced that it has become harder to do business because Finland lacks an international normalized NCSA Office. As [FICORA](#), the Finnish Communications Regulatory Authority, already offers internationally recognized operational relations, it would be natural to add an NCSA function to form a whole," Lindén says, according to the Ministry of Transport and Communications.

"As part of the safety work provided by the Ministry, an information package about encryption and safety has recently been published, addressed both to ordinary citizens and small businesses. The package is available on the Ministry's website and there are also intentions to distribute it, among other things, along with the telecommunications companies' customer information," Lindén stresses.

Source: The Ministry of Transport and Communications (5 February 2009)

## **Public web portal for digital content from libraries, archives and museums**

[Information Society] [Finland]

The national digital library project is progressing, according to the Ministry of Education. The aim of the project is to promote the availability and usability of the key national data resources of libraries, archives and museums in information networks and to develop long-term solutions for storing electronic cultural heritage data.

The online service to be completed in 2011 will include over 100,000 museum artefacts and photographs, over 1.3 million pages from old newspapers, over 20,000 scientific journals, over 30,000 e-books and hundreds of thousands of documents. All in all, 35 different organizations representing public administration, libraries, archives and museums as well as other stakeholders will participate in the project. The data will also be included in Europe's Digital Library, [Europeana](#).

Source: The Ministry of Education (15 January 2009)

## **Snara, Iceland's online library, a success**

[Information Society] [Finland]

During the week of 2 to 9 March, more than 30,000 users visited the Icelandic online library [Snara](#). That particular week there was free access to all content, and this resulted in four times as many visitors as normal, and 511,000 hits, the Daily News from Iceland [reports](#).

The online library has a comprehensive collection of dictionaries, books on food and classic novels. The most popular resources during the free week was the English-Icelandic dictionary, novels by Nobel Prize winner Halldór Laxness, the Icelandic sagas, the atlas Kortabókin, the name encyclopaedia Nöfn Íslendinga and a book with recipes; Matarást by Nanna Rögnvaldsdóttir.

Source: Daily News from Iceland (14 March 2009)

## **The government will promote safer Internet use among children and young people**

[Information Society] [Norway]

Norway should join the EU Safer Internet programme, the Norwegian government proposes. This programme is a successor of the Safer Internet plus 2005-2008, in which Norway has also participated. The new programme covers the period 2009-2013 and was formally adopted by the EU on 16 December 2008.

The aim of the project is to promote safe use of the Internet and other communication among children and young people under the age of 18. The [programme](#) places particular emphasis on practical information to children, parents and teachers.

Source: The Norwegian Media Authority (11 March 2009)

## **Internet industry reaches agreement on network neutrality**

[Information Society] [Norway]

The Norwegian Internet industry is in agreement on how it will relate to the issue of network neutrality. A number of parties have now endorsed network neutrality guidelines drawn up by a working group headed by the Norwegian Post and Telecommunications Authority (NPT).

Parties that have endorsed the guidelines so far are Get, ICT Norway, Lyse Tele, the Norwegian Media Businesses Association, NextGenTel, the Norwegian Cable TV Association, Schibsted, Telenor, Telio Telecom, the Consumer Ombudsman and the Consumer Council of Norway, in addition to NPT. Other providers might also endorse the guidelines, NPT [announces](#).

Source: The Norwegian Post and Telecommunications Authority (24 February 2009)

## **National encyclopaedia freely available**

[Information Society] [Norway]

In February, the national encyclopaedia (Store norske leksikon) became freely available via the Internet, as a joint project between publisher Kunnskapsforlaget and bookseller Bokklubben. Kunnskapsforlaget is responsible for the content of the encyclopaedia.

[The encyclopaedia](#) is funded through a combination of ads, donations and support. A number of specialists in various fields are recruited, and users can take initiatives where content is concerned.

Source: Store norske leksikon (25 February 2009)

## **The information society of the future will be discussed in a study**

[Information Society] [Sweden]

Prior to the Swedish Presidency of the EU, the Government and the Ministry of Enterprise, Energy and Communications will take the initiative to a study and a conference on IT policy in the EU, covering the period 2011-2015.

The report is to be published on 1 September 2009, the conference entitled "Visby Agenda:

Creating impact for an eUnion 2015" will take place in Visby on 9 and 10 November 2009. The consulting company SCF Associates Ltd. will conduct the study.

The current IT policy initiative of the EU, ["i2010 - A European Information Society for growth and employment"](#) ends in 2010. Sweden wants to provide a platform for dialogue on a new IT policy programme.

Source: The Ministry of Enterprise, Energy and Communications (30 January 2009)

## **Media ownership**

### **The Competition Authority does not approve of the merger between Morgunblaðið and Fréttablaðið**

[Media ownership] [Iceland]

The Competition Authority does not approve of the merger between Morgunblaðið and Fréttablaðið

In October 2008, Nordic Media Policy [referred](#) to a merger between the newspapers Morgunblaðið and Fréttablaðið. "The reason for the merger is considered to be a direct result of the financial crisis that has caused a significant drop in ad sales and record prices for newsprint," Danish trade journal Journalisten wrote.

Another source, the Daily News from Iceland, described the negotiations on the merger in late September, when they had already been taking place for a while, but the acute financial crisis may have precipitated the process. The free paper Fréttablaðið was launched in 2001, and gradually came to be a competitor to the pay newspaper Morgunblaðið.

The merger was not approved by the Icelandic Competition Authority, which in February 2009 announced that the merger was not consistent with the desire to prevent media concentration that is harmful to consumers.

Source: Samkeppniseftirlitið – the Icelandic Competition Authority (13 February 2009)

### **The acquisitions of Polaris Media approved by the Media Authority**

[Media ownership] [Norway]

In February, Edda Media sold the newspapers Sunnmørsposten and Romsdals Budstikke to Polaris Media. The Norwegian Media Authority found that Schibsted, which has holdings in Polaris Media, will control 33.3% of the newspaper circulation at the national level, Edda Media 10.2%, and Polaris Media will gain control of 8.8% of the circulation at the national level.

The Media Authority carried out an investigation of the acquisition in order to find out whether it was in violation of the Media Ownership Act, and subsequently endorsed the transaction.

Source: The Norwegian Media Authority (11 March 2009)

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